

Assessment and prospect for the 7th Session of the 12th Supreme People's Assembly

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1. Background

On April 1st, the 7th Session of North Korea's 12th Supreme People's Assembly (SPA) was held at the Mansudae Assembly Hall in Pyongyang. Attended by Kim Jong-un, as well as deputies and members of the SPA and the country's institutions, the meeting started with reverence for the memory of Kim Il-sung and Kim Jong-il.

The SPA decided the following eight agenda items: △amending and supplementing some contents of the socialist constitution of North Korea, △adopting the Law on the Kumsusan Palace of the Sun, △adopting the ordinance "On Consolidating the Position of Nuclear Weapons State for Self-Defense" passed by the SPA, △adopting the Law on Developing Outer Space, △adopting the decision "On Setting up the Democratic People's Republic of Korea (DPRK) State Space Development Bureau", △the work of the DPRK Cabinet for 2012 and its tasks for 2013, △the closing account of the fulfillment of the DPRK's state budget for 2012 and the state budget for 2013, and △organizational matters. Aside from the organizational matters, seven agenda items were adopted at the session unanimously.

The contents of the agenda items can be divided into the idolization of Kim Il-sung and Kim Jong-il, North Korea as a nuclear state and a satellite manufacturer and launcher, economic work and budget and accounting, and organizational matters. Among these, the agenda items such as nuclear state and satellite, and organizational matters are closely

related to the “Byungjin(parallel development)” policy, a new strategy of carrying out economic construction and building nuclear armed forces simultaneously which was adopted by the Korean Workers’ Party Central Committee’s plenary meeting convened on March 31st. The rushed meeting of the SPA seems to have the purpose of supporting the “Byungjin” policy, this new strategy of carrying out economic construction and building nuclear armed forces simultaneously.

2. Contents and Assessment

During the SPA, North Korea firstly amended and supplemented some contents of the socialist constitution and legislated the law on the Kumsusan Palace of the Sun in order to legally idolize Kim Il-sung and Kim Jong-il. Secondly, North Korea showed off its being a nuclear state and a satellite manufacturer and launcher to both domestic and foreign audiences by adopting relevant ordinances. Thirdly, economic issues were settled ritually and insignificantly even compared to previous years. Fourthly, nevertheless it is somewhat unusual to appoint reform-oriented personnel to the Cabinet for the stabilization of the people’s livelihood.

□ Legal idolization of Kim Il-sung and Kim Jong-il

The SPA began with a report made by Deputy Kim Yong-nam on amending and supplementing some contents of the socialist constitution of DPRK and on adopting the law on the Kumsusan Palace of the Sun. In order to legally set in achievements of Kim Il-sung and Kim Jong-il, North Korea added the sentence “the Kumsusan Palace of the Sun where the great leaders Kim Il-sung and Kim Jong-il lie in state is a grand edifice for the immortality of the leaders, a symbol of the dignity of the whole Korean nation and its eternal sacred temple” onto the preamble of the socialist constitution. At the same time, adopting the Law on the Kumsusan Palace of the Sun, the SPA defined that “the Kumsusan Palace of the Sun where President Kim Il-sung and leader Kim Jong-il lie in state is the eternal temple of the sun of the whole Korean nation”. The legalization of idolizing Kim Il-sung and Kim Jong-il seems to have the intention of solidifying the power base of Kim Jong-un.

□ Declaration to be a nuclear state and a satellite manufacturer and launcher

Subsequently, the SPA passed three agenda items on; adopting the ordinance “On Consolidating the Position of Nuclear Weapons State for Self-Defense”, adopting the Law on developing outer space, the decision “On Setting up the DPRK State Space Development Bureau.” These agenda items targeted at the sanctions imposed against North Korea by the international community show, internally and externally, North Korea’s determination to fight against the pressure from the international community.

In the ordinance “On Consolidating the Position of Nuclear Weapons State for Self-Defense,” North Korea declared itself to be ‘a full-fledged nuclear state capable of beating back any aggressors at one strike, and decided ten articles in consolidating its nuclear state status. They are mainly stipulated as follows: △the nuclear weapons of the DPRK are just means for defense, △nuclear weapons serve the purpose of deterring and repelling on the aggression and attack against the DPRK and dealing deadly retaliatory blows at the strongholds of aggression, △the DPRK shall take practical steps to bolster up

the nuclear deterrence and nuclear retaliatory strike power, and △the nuclear weapons of the DPRK can be used only by a final order of the Supreme Commander of the Korean People's Army to repel invasion or attack from a hostile nuclear state. Aside from these, the ordinances stipulate the following: the DPRK shall observe the general rules on safekeeping of nuclear weapons, and the DPRK shall make sure of safekeeping and management so that nuclear weapons and their technology, weapon-grade nuclear substance may not leak out illegally. Also, North Korea adopted the Law on Developing Outer Space and decided to set up the State Space Development Bureau which will be a centralized organization that controls space development. By doing this, North Korea affirmed itself to be a full-fledged satellite manufacturer and launcher.

□ Reports on the economic tasks and state budget and account

Deputy Choe Yong-rim (by then premier of the Cabinet) made a report on the state's undertakings for 2012 and its tasks for 2013. Although the North Korea boasted of its fulfillment of last year's tasks, it actually has not achieved any remarkable results. The report underscored that, as in other years, there were increases in the production of some of industrial goods including the four vanguard sectors, as well as the completion of monumental edifices such as the Kumsusan Palace of the Sun. Moreover, they highlighted the completion of large-scale industrial projects such as the Huichon Power Station and major factories, as well as enterprises have been pushed forward with technological reconstruction and modernization. In the field of society, culture, sports and such, promulgation of the universal 12-year compulsory education, realization of a long-distance medical service, and the achievements of major international sports events including the 30th Olympic Games were mentioned. North Korea especially highlighted that the satellite Kwangmyongsong 3-2 was successfully manufactured and launched, and the third underground nuclear test was successfully conducted.

For the year of 2013 tasks, North Korea is determined to bolster both the vanguard and basic industrial fields in order to consolidate the springboard for building an economic power, while at the same time concentrating on efforts for the agriculture and light industries to solve people's livelihood. Specifically, North Korea expressed the need for an increased output of coal, equipment of the bases for production of Juche iron, modernization of iron and steel works, securing raw materials and fuel, and strict measures for supplying rolled steel (more than 3.5 times) in order to meet the demand for steel. In addition, reinforcement of railway transportation, completion of the plan for grain production and grassland establishment, increased localization of raw materials and expanding export were suggested to raise funds to improve the standard of people's living. With regards to the scientific and technological fields, the report emphasized increased investment and development of cutting-edge products. In terms of the foreign economy, the report called for a variety of export items while enhancing the quality; and at the same time, trade to be diversified and multilateral and the work for setting up economic development zone to be pushed forward through active joint ventures and collaboration.

In the continued session, Deputy Choe Kwang-iin (Minister of Finance) presented a report on the execution of the national budget for 2012 and a proposed national budget for 2013. According to the report, the state budgetary revenue in 2012 was fulfilled by 101.3% (an increase of 10.1% over the

previous year) and the plan for local budgetary revenue was carried out at 113.8%. The state budgetary expenditure was implemented at 99.6%, an increase of 9.7% over that in the previous year. 44.8% of the total state budgetary expenditure was used for the economic development and improvement of people's living standard while 38.9% of total expenditure was spent for enforcing popular policies and measures for social culture. The report revealed that some of the total state budgetary expenditure went to national defense but 16.3% is estimated by calculation.

The state budgetary revenue for 2013 is expected to increase 4.1% compared to 2012. Out of this, the transaction tax, main source of budgetary revenue, is expected to grow 3.5%, the revenue from the profits of state enterprises 6%, revenue from the profits of cooperative enterprises 5.3%, revenue from the depreciation 2.8% and revenue from real estate rent 3.4%. In the total state budgetary revenue, national revenue will account for 83% and local budgetary revenue 17%. Meanwhile, the state budgetary expenditure for 2013 increased by 5.9% over the year of 2012. Among the expenditures, the report decided to increase the fields of four vanguard sectors (coal, electricity, metal, railway transport) by 7.2%, the field of agriculture and light industry 5.1%, basic investment (in basic construction and big maintenance) 5.8%, the field of science and technology 6.7%, the field of education 6.8%, the field of public health 5.4%, the field of social insurance and security 3.7%, the field of sports 6.1% and the field of culture 2.2%. While keeping the exact amount confidential, North Korea mentioned some of the total state budgetary expenditure will go for national defense.

□ Organizational Matters: Appointment of reformist personnel to the Cabinet

The last agenda of the SPA had discussions on the recall and election of some deputies. At the session Deputy Choe Yong-rim was recalled (with distinction as the SPA's Standing Committee Honorary Vice President) from the post of Premier of the DPRK Cabinet, and Pak Pong-ju was elected as Premier. Deputies Kim Jong-gak and Ri Myong-su were recalled from the posts of member of the DPRK National Defense Commission (NDC) due to changes in positions and Deputies Kim Kyok-sik and Choe Pu-il were elected as members of the NDC to fill vacancies. In addition, Deputy Thae Hyong-chol was recalled from the post of Secretary General of the Standing Committee of the SPA, and Deputy Hong Son-ok was elected as Secretary General of the Standing Committee of the SPA. Some members of the Cabinet were relieved of their posts and appointed at the session. In the SPA, some dismissal and appointment were allegedly made by the cabinet's request so that one of the pro-Park Pong-ju reformist (specific roster is unknown) can become the minister of agriculture.

3. Prospect

The key point of the 7th Session of 12th SPA was whether North Korea can carry out two-track strategies, which can fall into hard stance of building nuclear weapons and moderate stance of constructing economy, simultaneously. In the past, North Korea had been adhering to the "Byungjin" policy until it adopted an alternative policy of military-first. As North Korea had put high priority on defense rather than economy, building economy failed in the end. In this sense, North Korea has shown again its strong will to stabilize its regime with main emphasis on developing nuclear weapons and

confronting with international community (including the U.S.) at the same time.

Although opening the Cabinet to reformist personnel shows a positive sign in solving issues of the economy, no actual change is to be expected. Last year, as the foreign currency earning business, managed by military, was transferred to the Cabinet on the premise of the Cabinet's collective command of state business, the military stood up in opposition. Enforcing measures to improve the economy, known as the '6.28 measures,' also failed to take off and has still not been implemented. What is worse, support from the international community is expected to decline since China has joined UN sanctions after North Korea's third nuclear test, making it harder for experiments of economic reform. Although some reformist personnel took seats in the Cabinet, it is inadequate to put forth and encourage any economic changes under such a firm stand. © KINU 2013

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